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E.O. 11652: N/A
TAGS: OVIP (KISSINGER, HENRY A.)
SUBJECT: COMBINED TV/RADIO/WIRE/NEWSPAPER REPORT,
THANKSGIVING MORNING, NOVEMBER 28, 1974

FOR AMBASSADOR ANDERSON FROM S/PRS

NO. 7

SUMMARY: REUTERS REPORTS ON SECRETARY'S REMARKS AT HAK'S BANQUET HONORING CHINESE. NO AP OR UPI WIRES. BALISUN CARRIES 3-COLUMN PHOTO PAGE 2 MRS. KISSINGER AT GREAT WALL; WASHPOST CARRIES SAME 4-COLUMN PHOTO PAGE 14. KALB SAYS HAK STILL WAITING MAO INVITATION AND DESCRIBES VISIT TO SCHOOL.

WIRES:

1. REUTERS: "THE UNITED STATES AND CHINA HAVE COMMITTED THEMSELVES TO CONTINUING THE PROCESS OF NORMALIZING THEIR RELATIONS, HAK SAID TONIGHT. HE WAS SPEAKING AT A BANQUET HE GAVE IN HONOR OF HIS CHINESE HOSTS ON THE FINAL EVENING OF HIS 5-DAY VISIT TO CHINA. DR. KISSINGER AND HIS PARTY LEAVE FOR TOKYO TOMORROW MORNING AFTER A BRIEF VISIT TO THE RESORT CITY OF SOOCHOW IN EASTERN CHINA.

"... THIS VISIT, MY SEVENTH TO THE PRC, CONTINUED THE PROGRESS THAT HAS BEEN MADE ON EACH PREVIOUS OCCASION," HE SAID. "WE HAVE REVIEWED INTERNATIONAL PROBLEMS AND DEEPENED OUR COMMON UNDERSTANDING. WE COMMITTED OURSELVES TO CONTINUING THE PROCESS OF NORMALIZATION ALONG THE LINES OF THE SHANGHAI COMMUNIQUE," HE SAID.

"... THE TWO COUNTRIES STILL DO NOT HAVE FORMAL DIPLOMATIC TIES, AND THERE HAS BEEN NO SIGN DURING DR. KISSINGER'S VISIT HERE THAT AN AGREEMENT ON THIS IS IMMINENT. DR. KISSINGER HELD A TOTAL OF 11 HOURS OF TALKS WITH CHINESE LEADERS, MOST OF THEM WITH VICE-PREMIER TENG HSIAO-P'ING AND THE NEW CHINESE FOREIGN MINISTER, CHIAO KUAN-HUA, BOTH OF WHOM WERE PRESENT AT THE BANQUET.

"DR. KISSINGER SAID THAT 'BEYOND THE FORMAL EXCHANGES, WE GAINED A BETTER UNDERSTANDING OF THE CHINESE POINT OF VIEW WHICH WE TAKE SERIOUSLY INTO ACCOUNT IN CONDUCTING OUR FOREIGN POLICY. I SAID WHEN I ARRIVED HERE THAT THE PROCESS OF IMPROVING RELATIONS BETWEEN THE PEOPLE'S REPUBLIC AND THE UNITED STATES IS A FIXED PRINCIPLE IN OUR FOREIGN POLICY,' DR. KISSINGER SAID. 'THIS PRINCIPLE WAS REAFFIRMED AND STRENGTHENED DURING OUR CONVERSATIONS.'

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"THE CONCRETE RESULTS OF THE VISIT, IF ANY, WILL PRESUMABLY BE SPELLED OUT IN A COMMUNIQUE TO BE ISSUED LATER.

"IN ADDITION TO DR. KISSINGER'S TALKS, A COMMITTEE WAS FORMED DURING THE VISIT TO DISCUSS SPECIFIC BILATERAL ISSUES. THE LARGE TRADE IMBALANCE IN FAVOR OF THE U.S. AND THE LONG-STANDING PROBLEM OF SOME 270 MILLION DOLLARS ASSETS FROZEN BY THE TWO COUNTRIES MAY HAVE BEEN AMONG THE TOPICS DISCUSSED. DETAILS OF ALL THE TALKS WERE KEPT A CLOSE SECRET.

"IN A REPLY TO DR. KISSINGER, FOREIGN MINISTER CHIAO SPOKE OF THE CANDID SPIRIT IN WHICH THE TALKS WERE HELD. "BOTH SIDES HAVE EXPRESSED THEIR READINESS TO WORK, IN ACCORDANCE WITH THE PRINCIPLES ESTABLISHED IN THE SHANGHAI COMMUNIQUE, FOR THE CONTINUED ADVANCEMENT OF SINO-AMERICAN RELATIONS," HE SAID.

"THERE WAS NO WORD ON WHEN DR. KISSINGER WILL HAVE HIS EXPECTED MEETING WITH CHAIRMAN MAO TSE-TUNG, WHO IS BELIEVED TO BE STAYING OUTSIDE THE CAPITAL. IT IS POSSIBLE THAT DR. KISSINGER WILL BE FLOWN TO MEET HIM TOMORROW AFTER LEAVING PEKING.

"DESPITE THE CORDINALITY SHOWN TOWARD DR. KISSINGER HERE, THE OFFICIAL CHINESE PRESS HAS IF ANYTHING STEPPED UP THE ANTI-AMERICAN FLAVOR OF ITS ARTICLES. IN RECENT DAYS

OBSERVERS HAVE NOTED AT LEAST FOUR STATEMENTS, INCLUDING ONE MESSAGE TO ALBANIAN LEADERS SIGNED BY CHINESE LEADERS, WHICH HAVE REFERRED TO AMERICAN 'AGGRESSION' IN VARIOUS PARTS OF THE WORLD. THIS POINTS UP WHAT SEEMS TO MANY A CONTRADICTION IN THE POLICIES OF THE CHINESE -- THAT THEY CAN PLEDGE TO IMPROVE RELATIONS WITH A COUNTRY ON THE ONE HAND AND CONDEMN IT AS AN AGGRESSOR ON THE OTHER."

TV/RADIO:

1. CBS -- KALB: "ALL WEEK LONG HAK HAS BEEN WAITING FOR A CALL FROM CHAIRMAN MAO. IT HAS NOT YET COME AND WITH ONLY ONE DAY LEFT IN THIS FIVE-DAY VISIT -- AND THAT EAR-MARKED FOR SIGHTSEEING TOMORROW IN SOOCHOW -- IT IS NOW BEGINNING TO LOOK AS THOUGH THIS VISIT WILL PASS WITHOUT A MAO-HAK GET-TOGETHER. IF SO, A CLEAR SIGNAL THAT CHINESE-AMERICAN RELATIONS ARE MARKING TIME AND THAT HAK CAN COME TO CHINA AND LEAVE WITHOUT HAVING REGISTERED ANY SIGNIFICANT ADVANCE TOWARD A NEW STAGE IN THE RELATIONSHIP. THERE WILL BE A FINAL COMMUNIQUE, AND IT MAY REVEAL PROGRESS ON RESOLVING SUCH PERIPHERAL ISSUES AS FROZEN CHINESE ASSETS IN THE U.S. AND PRIVATE AMERICAN CLAIMS AGAINST CHINA, BUT NOTHING MAJOR IS NOW EXPECTED. . . ."

2. CBS RADIO -- KALB "FIRST-LINE REPORT": "A VISIT TO THE 35TH MIDDLE SCHOOL AND WHAT IT MIGHT SUGGEST ABOUT RUSSIA, CHINA AND AMERICA. THE 35TH MIDDLE SCHOOL . . . IS ON THE TOURIST PATH, A SHOWCASE THAT IS ALSO CONVENIENT . . . SEVERAL NEWSMEN WHO HAD ALREADY SEEN THE WALL CHOSE

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THE SCHOOL. THEY WERE NOT SORRY. IT IS HOME SIX HOURS A DAY FOR 2100 STUDENTS, RANGING IN AGE FROM 12 TO 18. MIDDLE SCHOOL IN CHINA IS THE ROUGH EQUIVALENT OF HIGH SCHOOL IN AMERICA, ONLY THE STUDENTS HERE HAVE A FAR ROUGHER CURRICULUM AND IT IS HIGHLY POLITICAL. . . . WHERE THE 35TH MIDDLE SCHOOL DIFFERS FROM CENTRAL HIGH, HOWEVER, IS WHAT THE STUDENTS ARE DOING IN THE SCHOOL YARD. MANY OF THEM ARE ENGAGED IN A MASSIVE DIG -- THE YARD, WIDER AND LONGER THAN A FOOTBALL FIELD, HAS BEEN CHEWED INTO IN A BIG WAY. LARGE DEEP HOLES ARE EVERYWHERE, THE LARGEST ABOUT 50 FEET LONG, 30 FEET WIDE. THE STUDENTS, YOU SEE, ARE DIGGING UNDERGROUND CLASSROOMS. THEY HAVE BEEN TOLD THE RUSSIANS MAY ATTACK AND THEY MUST BE PREPARED TO CARRY ON THEIR SCHOOL WORK EVEN IN WARTIME CONDITIONS. THE DIG STARTED IN MARCH OF LAST YEAR, AND THOUGH THEY STILL HAVE AN ENORMOUS AMOUNT OF WORK TO DO, THEY SAY THEY ARE GOING TO FINISH IT BY MAY OF NEXT YEAR. THE PROD FOR THIS PROJECT IS INTERESTING FROM SEVERAL POINTS OF VIEW. CLEARLY THE CHINESE ARE WORRIED ABOUT A RUSSIAN ATTACK. AMERICANS MAY THINK THE WORRY IS EXAGGERATED, EVEN FANCIFUL, BUT

KISSINGER KNOWS THE WORRY, WHICH IS REAL, GIVES HIM BARGAINING LEVERAGE. THE CHINESE, CUT OFF FROM A RAPPROCHMENT WITH RUSSIA, MAY HAVE NO OPTION BUT TO KEEP THE DOOR OPEN TO AMERICA, NOT NECESSARILY TO RUSH INTO ANY RADICAL IMPROVEMENT IN RELATIONS. THAT IS BELIEVED TO BE IMPOSSIBLE ANYWAY UNTIL THE U.S. CUTS ITS TIES WITH NATIONALIST CHINA, BUT AT A MINIMUM TO MAINTAIN THE DIALOGUE AND BY SO DOING MAINTAIN THE PRESSURE ON RUSSIA. IT IS TOO CYNICAL TO SAY THE CHINESE LEADERS GIVE THEIR PEOPLE MASS PROJECTS JUST TO KEEP THEM BUSY, TO HOLD UP A FOREIGN DEVIL SO AS TO MAINTAIN DISCIPLINE AND CONTROL. BUT THERE IS SOMETHING TO THIS. THE CLASSROOMS ARE BUILT 24 FEET UNDER GROUND. A CONVENTIONAL BOMB LANDING NEARBY COULD PROBABLY PRODUCE ENOUGH OF A ROCK FALL OR LANDSLIDE TO BURY THE CLASSROOM. A NUCLEAR BOMB COULD EASILY DESTROY THE NEIGHBORHOOD. IF THE CLASSROOMS, ASSUMING THEY ARE COMPLETED, ARE THOUGHT OF AS RUDIMENTARY AIRRAID SHELTERS, THEN FINE; BUT IF THEY ARE CONSIDERED SERIOUS AND SOLID SHELTERS CAPABLE OF WITHSTANDING MODERN ATTACK AND SERVING AS REAL CLASSROOMS, THEY MAY NOT SUCCEED. BUT THIS IN NO WAY DIMINISHES THE PSYCHOLOGICAL EFFECT. HUNDREDS OF STUDENTS IN THIS ONE SCHOOL ALONE, DIGGING DAY AFTER DAY AND GLANCING UP ON OCCASION TO SPOT A MAO SLOGAN, DEVELOP PHYSICAL FITNESS IN ORDER TO DEFEND THE MOTHERLAND."

NEWSPAPERS:

1. WASHPOST -- OBERDORFER, PAGE 14: "SECRETARY OF STATE KISSINGER BEGAN HIS FINAL ROUND OF TALKS WITH CHINESE OFFICIALS TODAY WITH NO OUTWARD SIGN OF A MAJOR DEVELOPMENT IN SINO-AMERICAN RELATIONS.

"A GROUP OF SECOND-LEVEL OFFICIALS HEADED ON THE U.S. SIDE BY ASSISTANT SECRETARY OF STATE PHILIP C. HABIB MET

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THIS MORNING TO DISCUSS THE QUESTION OF FINANCIAL ASSETS FROZEN BY THE TWO GOVERNMENTS FOR MORE THAN 20 YEARS, AND TO DRAFT A JOINT COMMUNIQUE FOR THE CURRENT TALKS.

"THE ASSETS PROBLEM INVOLVES ABOUT DOLLAR 200 MILLION IN AMERICAN-OWNED PROPERTY AND BANK ACCOUNTS IMPOUNDED BY CHINA SHORTLY AFTER THE COMMUNISTS TOOK POWER IN 1949. AT THE TIME OF THE KOREAN WAR, THE U.S. SEIZED CHINESE BANK ACCOUNTS IN THE UNITED STATES AMOUNTING TO ABOUT DOLLARS 80 MILLION. THE ASSETS QUESTION IS NOT CONSIDERED MAJOR, BUT RESOLVING IT WOULD BE A TOKEN OF FURTHER DEVELOPMENT IN RELATIONS. CHINESE OFFICIALS HAVE CALLED FOR FURTHER IMPLEMENTATION OF THE 1972 SHANGHAI COMMUNIQUE WHICH LOOKED TOWARD FULL NORMALIZATION. . .

"HAK HAS NOT SEEN CHINESE COMMUNIST PARTY CHAIRMAN MAO TSE-TUNG, WHO IS BELIEVED LIVING SOMEWHERE OUT OF PEKING"

2. WASHPOST, PAGE 14: "KISSINGER TO PAY FOR TRIP OF KIN" -- "SECRETARY OF STATE HENRY A. KISSINGER WILL PAY THE COSTS OF HIS TWO TEENAGE CHILDREN, DAVID AND ELIZABETH, WHO ARE ACCOMPANYING HIM ON HIS TRIP TO CHINA, THE STATE DEPARTMENT SAID YESTERDAY.

"SPOKESMAN PAUL J. HARE SAID ANY PERSONAL EXPENSES OF MRS. KISSINGER WOULD ALSO BE PAID BY SECRETARY KISSINGER, BUT HER AIR TRAVEL IS TREATED AS AN OFFICIAL EXPENSE, AS SHE PERFORMS OFFICIAL FUNCTIONS ABROAD 'COMPLETELY IN KEEPING WITH PAST PRACTICES OF SECRETARIES OF STATE.'

"DAVID, 13, AND ELIZABETH, 15, KISSINGER'S CHILDREN FROM A PREVIOUS MARRIAGE, ACCOMPANIED KISSINGER TO THE SOVIET UNION LAST MARCH. THE BILLING FOR THE KISSINGER CHILDREN'S TRAVEL ON THAT TRIP HAS NOT YET BEEN SUBMITTED BUT WILL BE PAID BY THE SECRETARY, THE SPOKESMAN SAID."

3. BALTSUN -- TREWHITT, PAGE 2: "CHINESE OFFICIALS CLEARLY WOULD LIKE TO ADD MORE SUBSTANCE TO RELATIONS WITH THE UNITED STATES, ESPECIALLY IN THE LIGHT OF IMPROVING U.S.-SOVIET RELATIONS, BUT THERE IS NO SIGN THAT LONG-STANDING BARRIERS HAVE BEEN LOWERED.

"IT WAS THE CHINESE, MORE THAN THE AMERICANS, WHO WERE URGING MORE SINO-AMERICAN TIES ON THE PERIPHERY OF THE CURRENT DISCUSSIONS BETWEEN HAK, THE SECRETARY OF STATE, AND CHINESE LEADERS. FOR HIS PART, MR. KISSINGER HAS HELD STEADILY THAT NO DRAMATIC DEVELOPMENTS ARE TO BE EXPECTED SOON.

"THE SECRETARY CONTINUED HIS PATTERN OF BOTH FORMAL AND SOCIAL MEETINGS WITH TENG HSIAO-P'ING, THE VICE-PREMIER UNDER CHOU EN-LAI, AND THE FOREIGN MINISTER, CHIAO KUAN-HUA. . . OFFICIALLY, NONE OF THE SUBSTANCE OF THE MEETINGS WAS MADE PUBLIC. A CHINESE OFFICIAL, HOWEVER, SAID LATE YESTERDAY THE QUESTION OF COUNTERPART ASSETS HELD BY THE TWO GOVERNMENTS HAD 'ENTERED THE SCENE.' . . .

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"THE TWO GOVERNMENTS NOW MAINTAIN LIAISON MISSIONS IN PEKING AND WASHINGTON. BUT BILATERAL CONTACTS HAVE NOT MOVED AS RAPIDLY AS HAD BEEN PROJECTED FOLLOWING THE BREAKTHROUGH IN RELATIONS ALMOST THREE YEARS AGO. TRADE HAS NOT LIVED UP TO FORECASTS FOR THIS YEAR, THOUGH IT IS ABOVE THE 1973 LEVEL.

"WHAT THIS LEAVES IS A SENSE OF STAGNATION, INTENSIFIED WITH THE WORLD FLUTTERING OVER THE FUTURE OF CHINA WHEN MAO TSE-TUNG LEAVES THE SCENE. . .

"A CHINESE OFFICIAL REMARKED YESTERDAY THAT 'THE TIME IS RIGHT' FOR AN EXPANSION OF RELATIONS TO FULL EMBASSY STATUS. THEN ASKED WHY THAT COULD NOT BE ACCOMPLISHED, HE GAVE A FAMILIAR REASON: TAIWAN. THE U.S. STILL FORMALLY RECOGNIZES CHIANG KAI-SHEK'S REPUBLIC OF CHINA ON TAIWAN. OFFICIALS IN PEKING INSIST THAT WASHINGTON BREAK ALL TIES WITH THAT GOVERNMENT BEFORE SINO-AMERICAN RELATIONS CAN BE ELEVATED TO FORMAL EXCHANGE OF EMBASSIES.

"ASKED EARLIER THIS WEEK ABOUT THE PROPOSAL OF SENATOR JACKSON THAT THE U.S. RECOGNIZE PEKING FORMALLY, LEAVING TAIPEI WITH A LIAISON OFFICE, MR. KISSINGER OBSERVED: 'IT TAKES TWO PARTNERS TO EFFECT SUCH A CHANGE IN ROLES.' BUT OTHER WESTERN DIPLOMATS HERE SEE SIGNS OF SOFTENING IN THE CHINESE POSITION. ULTIMATELY THE QUESTION MAY COME DOWN TO WHETHER CHINA WILL TOLERATE A CONTINUED AMERICAN SECURITY GUARANTEE FOR TAIWAN.

"TAIWAN IS NOT THE ONLY ISSUE IN THE FOREFRONT FOR THE CHINESE, HOWEVER, AND THE OTHER RELATES TO U.S.-SOVIET RELATIONS. ONE CHINESE OFFICIAL SAID YESTERDAY HIS GOVERNMENT WOULD LIKE TO SEE U.S.-CHINESE TIES IMPROVED AFTER THE U.S. AND THE SOVIET UNION AGREED ON GUIDELINES FOR A NEW STRATEGIC ARMS AGREEMENT.

"WE QUESTION WHETHER THE SOVIET UNION IS SERIOUS ABOUT THE MATTER OF LIMITING STRATEGIC WEAPONS,' ANOTHER CHINESE OFFICIAL REMARKED. 'WE WOULD URGE OUR AMERICAN FRIENDS TO BE CAUTIOUS.'"

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